

**GOVERNMENT OF INDIA  
DEFENCE  
LOK SABHA**

UNSTARRED QUESTION NO:88

ANSWERED ON:26.07.2010

DEFENCE PRODUCTION POLICY

Abdulrahman Shri ;Gowda Shri D.B. Chandre;Patil Shri C. R. ;Thamaraiselvan Shri R.

**Will the Minister of DEFENCE be pleased to state:**

- (a) whether the Government has prepared a new Defence Production Policy in order to reduce dependence on import of defence equipment from foreign countries;
- (b) if so, the details thereof;
- (c) whether the new Policy seeks to involve private firms in development and production of defence equipment;
- (d) if so, the details thereof including the safeguards likely to be taken in this regard; and
- (e) the steps taken by the Government to restructure/improve the performance of Defence Research and Development Organisation (DRDO), Ordnance factories and other Defence Public Sector Undertakings?

**Answer**

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

- (a) to (d): The government is in the process of formulating a Defence Production Policy to enhance indigenous capabilities to manufacture our requirement for defence equipment by involving both the public as well as the private sector.
- (e)
  - (i) An independent review committee headed by Dr. P. Rama Rao was constituted by the government to review the functioning of DRDO. Action is being taken to implement the recommendations of the independent Review Committee taking into account, the responses and suggestions made by various stake-holders on the recommendations.
  - (ii) The modernization programme of OFB and DPSUs has been undertaken to improve their performance and efficiency.